

**Amendments to the Drawings:**

The attached sheets of drawings include changes to Figures 2 and 3, which replace the original sheets containing Figures 2 and 3. Pursuant to the Examiner's requests, box 201 was added to Figure 2 in order to illustrate the occurrence of the wireless event and box 305 was added to Figure 3 in order to clarify where the reservation amount is determined. Corresponding changes have also been made to the written description, which has also been amended to include reference to block 322.

Attachments (contained in the Appendix):

- Figure 2 Annotated Sheet Showing Changes
- Figure 3 Annotated Sheet Showing Changes
- Figure 2 Replacement Sheet
- Figure 3 Replacement Sheet

### **REMARKS/ARGUMENTS**

Claims 1-39 are pending in the present application.

#### **I. 35 U.S.C. §112, ¶2**

The Examiner rejected claims 1-39 under 35 U.S.C. §112, ¶2 as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. Applicant respectfully traverses the Examiner's assertion that these claims are indefinite, but in an effort to move the application to allowance, has made amendments to the relevant claims to clarify the subject matter which Applicant regards as the invention.

Additionally, the Examiner has rejected claims 14 and 33 on the basis that it is unclear what will happen if the rating algorithm counter does not exceed a pre-determined amount. A method or process occasionally includes the performance of additional functions or steps when a condition is met, but does not necessarily require additional steps when the condition has not been met other than carrying on the normal functionality of the process.

In carrying out the claimed method, requests are sent to a system maintaining the rating algorithm each time the default service unit quantity is adjusted. When the number of requests to the rating algorithm reaches a predetermined count, the methods claimed in claims 14 and 33 adjust the default service unit quantity to a minimum default service unit quantity in order to prevent the rating algorithm from being overused. If the condition is not met (i.e., the counter has not reached the predetermined count), the claimed method does not set the default service unit quantity to the minimum default unit quantity but continues as indicated in the other claims.

Such conditional processes are common in the type of invention set forth herein. The claimed methods perform a specific function when the rating algorithm counter reaches a predetermined amount, but continues normally when it has not. The methods' normal operation is set forth in the additional claims. Therefore, Applicant has claimed the method that occurs when the condition has not been met in claims 14 and 33. Applicant respectfully believes it has particularly pointed out and distinctly claimed the invention as required by Section 112, 2<sup>nd</sup> paragraph.

## **II. 35 U.S.C. §101**

The Examiner rejected claims 8-19 and 27-38 under 35 U.S.C. §101 as lacking utility for failing to produce a useful, concrete, and tangible result. Applicant respectfully traverses the Examiner's assertion that these claims are directed to an invention lacking utility, but in an effort to move the application to allowance, has made amendments to the relevant claims to clarify the utility of the subject matter which Applicant regards as the invention.

The Examiner stated that independent claims 8 and 27 only produce a useful result if the reservation amount is less than the available credit. Claims 8 and 27 are generally directed to a method wherein an amount to be reserved against a pre-paid account is calculated based on a quantity of a service unit, and call for, among other things, the performance of several steps resulting in a recalculated reservation amount if the initial reservation amount is not less than the available credit. One of ordinary skill in the art would understand that the recalculated reservation amount is a tangible and useful result.

The Examiner also stated claims 9 and 28 do not produce a tangible result if the service unit quantity is more than the minimum service unit quantity. Claims 9 and 28 depend from claims 8 and 27, respectively, and call for, among other things, sending an authorization failure if the adjusted service unit quantity is less than the minimum service unit quantity. One of ordinary skill in the art would understand these claims to provide the utility of preventing authorization if the adjusted service unit quantity is less than the minimum service unit quantity. Additionally, one of ordinary skill in the art would also find utility in the absence of sending an authorization failure if the adjusted service unit quantity is not less than the minimum service unit quantity.

The Examiner stated claims 10 and 29 do not produce a tangible result if the service unit quantity is more than the minimum service unit quantity. Claims 10 and 29 depend from claims 8 and 27, respectively, and call for, among other things, multiplying the service unit quantity by a pre-determined percentage. One of ordinary skill in the art would understand these claims to provide the utility of producing a reduced service unit quantity as a tangible result of the additional steps found in claims 10 and 29 and in conjunction with the methods set forth in claims 8 and 27.

The Examiner stated claims 12 and 31 do not produce a tangible result because they merely provide a formula without a tangible result. Claims 12 and 31 depend from claims 8 and 27, respectively, and call for, among other things, determining whether the reservation amount is appropriate. One of ordinary skill in the art would understand these claims to provide the utility of determining whether the reservation amount is appropriate as a tangible

result of the additional steps found in claims 12 and 31 and in conjunction with the methods set forth in claims 8 and 27. Claims 12 and 31 calculate a new reservation amount if the previous amount was not appropriate to reserve against the pre-paid account balance. Therefore, both claims 12 and 31 produce a tangible result useful to one of ordinary skill in the art, which is a new reservation amount more appropriate to reserve against the pre-paid account balance.

The Examiner stated claims 14 and 33 do not produce a tangible result if a rating algorithm counter does not exceed a pre-determined count. Claims 14 and 33 depend from claims 8 and 27, respectively, and call for, amount other things, setting a second service unit quantity to a minimum service unit quantity when a rating algorithm counter exceeds a pre-determined count. One of ordinary skill in the art would understand these claims to provide the utility of preventing undue use of the rating algorithm and would recognize both the mere examining of whether the rating algorithm counter exceeds a pre-determined count and setting a second service unit quantity to a minimum service unit quantity as tangible results.

Applicant respectfully traverses the Examiner's rejection of claims 8-19 and 27-38 for lack of utility because the utility is apparent to one of ordinary skill. Applicant respectfully requests the Examiner to provide evidence of why the functionality set forth in these claims does not provide utility to one of ordinary skill in the art.

### **III. 35 U.S.C. §102(b)**

#### **A. Smith**

The Examiner has rejected claims 1-4, 8-10, 12, 13, 15, 16, and 39 under 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 5,995,822 to Smith et al. ("*Smith*").

Applicant respectfully traverses the Examiner's assertion that these claims are anticipated by *Smith*. Independent claims 1, 8, 20, 27, and 39 are generally directed to a method for reserving an amount against a pre-paid account, where the reservation amount is always less than the balance of the pre-paid account when an event is authorized. The present claims seek to provide a method that prevents exhaustion or reservation of the entire balance of a pre-paid account<sup>1</sup> so that the user or other account users may charge other services to the pre-paid account.<sup>2</sup> As a result, a portion of the pre-paid account balance remains for reservation by other users or for another type of current use by the same user.<sup>3</sup>

*Smith* fails to disclose a method which prevents complete exhaustion or reservation of the balance of a pre-paid account. Instead, *Smith* discloses a method in which a default amount ("a" in Fig. 2A of *Smith*) is deducted from the pre-paid account balance regardless of whether the amount is appropriate. If the account balance is equal to "a," then the entire account balance is deducted. More importantly, if the account balance is less than "a," then the entire value remaining in the pre-paid account ("d" in Fig. 2A of *Smith*) is deducted. Therefore, each time the account balance is less than the default amount ("a"), the entire remaining account balance ("d") is reserved. As a result, the method disclosed by *Smith* reserves or deducts the entire account balance, thereby preventing authorization of a second event by another joint account user or a subsequent or concurrent event of a different type by the same

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<sup>1</sup> See, e.g., p. 2 lines 20-22 of the application.

<sup>2</sup> See, e.g., p. 2 lines 24-26 of the application.

<sup>3</sup> Page 14, lines 21-24 of the application set forth "the systems and methods of the present invention provide a mechanism to determine an appropriate reservation amount that does not result [in] complete exhaustion of the user's pre-paid account, thereby leaving credit in the account to use for other services that may be concurrently accessed."

user. Accordingly, *Smith* fails to teach, disclose, or suggest a method that prevents the exhaustion or reservation of the entire balance of a pre-paid account.

**B. Seiderman**

The Examiner has rejected claims 8 and 11 under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,550,897 to Seiderman ("*Seiderman*"). Applicant respectfully traverses the Examiner's assertion that these claims are anticipated by *Seiderman*. As discussed above, independent claim 8 is generally directed to a method for reserving an amount against a pre-paid account, where the reservation amount is always less than the balance of the pre-paid account in order to prevent exhaustion or reservation of the entire pre-paid account balance.

*Seiderman* fails to disclose a method which prevents complete exhaustion or reservation of the balance of a pre-paid account. Instead, *Seiderman* is directed to validation of a credit card in order to authorize use of a cellular device. Credit balances of a credit card are patently different from pre-paid account balances. That is, while a credit card may be limited by an established credit limit, a prepaid account contains a balance that is reduced as charges are incurred, where the prepaid balance is typically if not always substantially less than an average credit card limit. More importantly, the method disclosed by *Seiderman* does not analyze the credit card balance (or any balance) prior to authorizing use of the cellular device.<sup>4</sup> In fact,

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<sup>4</sup> The method disclosed in *Seiderman* delegates authorization of the relevant credit card to a validation computer system that is not disclosed in detail. *Seiderman*, col. 15, lines 38-54. This process, however, only determined whether to accept or reject the credit card based on other criteria and does not suggest, teach, or disclose how to reserve an amount against the credit card balance.

*Seiderman* fails to describe at all how to reserve an amount against the credit card balance or how to proceed to authorize use of the cellular device if the credit limit is reached. Accordingly, *Seiderman* fails to teach, disclose, or suggest a method analyzing the balance of a pre-paid account or a method that prevents the exhaustion or reservation of the entire balance of the pre-paid account when authorizing an event.

**C. Smith in view of Daneels**

The Examiner rejected claims 20-23, 27-29, 31-32, 34, and 35 under 35 U.S.C. § 103(a) as being unpatentable over *Smith* in view of U.S. Patent No. 6,272,472 to Daneels et al. (“*Daneels*”). Applicant respectfully traverses the Examiner’s assertion that these claims are unpatentable. Independent claims 20 and 27 are generally directed to a method for reserving an amount against a pre-paid account, where the reservation amount is always less than the balance of the pre-paid account. As set forth above, the present claims seek to provide a method that prevents exhaustion or reservation of the entire balance of a pre-paid account and prevents excluding other users of the pre-paid account. As a result, a portion of the pre-paid account balance remains for reservation by other users or for another type of use by the same user.

*Smith* fails to disclose a system which prevents complete exhaustion or reservation of the balance of a pre-paid account, as discussed above. *Daneels* fails to rectify the deficiencies found in *Smith* and also does not disclose a method which prevents complete exhaustion or reservation of the balance of a pre-paid account. Instead, *Daneels* is directed to a system that generates a list of reseller websites based on a selection of items on a supplier’s website.



*Daneels* is not directed to a method or system that analyzes the balance of a pre-paid cellular account. In fact, *Daneels* does not suggest, teach, or disclose a method that reserves an amount against such a pre-paid account in order to authorize use of a cellular device without exhaustion of reservation of the entire balance of a pre-paid account.

#### **IV. Conclusion**

For the reasons stated above, independent claims 1, 8, 20, 27 and 39 are not anticipated by *Smith* or *Seiderman*, nor are they made obvious over *Smith* in view of *Seiderman*, *Dedrick*, and/or *Daneels*. Dependent claims 2-7, 9-19, and 21-26 and 28-38 depend from these independent claims, recite further limitations, and are therefore allowable in their respective combinations. Favorable action by the Examiner and withdrawal of the cited rejections is respectfully requested. The Examiner is invited to call the undersigned in an effort to discuss and resolve any remaining issues. Please charge any additional fees or credit any overpayment to Deposit Account No. 50-1196.

Respectfully submitted,  
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## **APPENDIX A**